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with the price policy of the corporation including its attitude toward competitors, the circumstances leading to the purchase of the Tennessee Coal, Iron and Railroad Company, the character and significance of the much talked of Gary dinners and the efforts of the corporation to conserve the health and safety of its employees. While one may admit that there is much to commend in the business policies of the company, and that its formation represents an advance in business standards, one can hardly subscribe to the rather rhetorical statement that "the organization of the United States Steel Corporation was the greatest step that has ever been made toward the highest form of socialism."

ABRAHAM BERGLUND.

DOS PASSOS, J. R. *Commercial mortmain; a study of the trust problem.* (New York: Bench and Bar Co. 1916. Pp. viii, 101. \$1.25.)

HALE, W. B. *The law of private corporations in Illinois.* (Chicago: Callaghan & Co. 1916. Pp. xviii, 562. \$5.)

HUMPHREY, R. B. *Texas telephone laws.* (Austin, Tex.: A. C. Baldwin Prtg. Co. 1916. Pp. 90. \$3.)

Public utilities reports annotated, containing decisions of the public service commission and of state and federal courts. 1916 A. (Rochester, N. Y.: Lawyers Coöperative Pub. Co. 1916. Pp. xxxix, 1224. \$5.)

Labor and Labor Organizations

Principles of Labor Legislation. By JOHN R. COMMONS and JOHN B. ANDREWS. Harper's Citizen Series, edited by WILLIAM F. WILLOUGHBY. (New York: Harper and Brothers. 1916. Pp. 524. \$2.00.)

This book is the first in English to give a systematic account from the standpoint of the economist of the whole field of labor legislation. It is properly comparable with such works as Pic's *Lois Ouvrières* and Frankenstein's *Arbeiterschutz*. It differs, however, from these treatises in that it makes much less use of the comparative method. In the main, it gives attention to foreign legislation only when the particular kind of legislation has not been introduced in the United States or is in an experimental stage.

The description of the legislation is adequate and the compression, obviously necessary where so much ground had to be covered, has been done with great skill and judgment. Nowhere else will the reader find in brief space such excellent descriptions

of the great forms of labor legislation. It is regrettable that the authors have not set forth more fully the conditions which the legislation is designed to remedy. For example, the three pages (pp. 261-264) devoted to the description of the problem of unemployment, while excellent, fail utterly to give the necessary background for the description of the legislation.

The most serious defect in the book, however, is the almost complete absence of clear and systematic statement of the principles on which labor legislation should rest. At almost every point, where real difference of opinion exists, the authors fail to indicate clearly the principles on which decision must be reached. Even where principles are developed in one section the authors frequently do not apply them to the legislation treated in another section. An illustration may be drawn from a field in which there is much difference of opinion. In the chapter on *Collective Bargaining*, the authors say: "Trade agreements are likely to be tolerably satisfactory to both sides as both have had a voice in framing them. In real collective bargaining also lies the protection of the public. It means fair conditions for labor and yet conditions under which industry can operate. It is an assurance of a minimum of industrial disturbance. Restrictions in the law upon collective action upon either side are inconsistent with collective bargaining." When the authors pass in the same chapter to the subject of coercion by government they carry with them presumably the general proposition that the exercise of coercion over collective bargaining is undesirable. But at no point do they definitely apply the principle to the subject of compulsory arbitration. Would the authors apply the principle of freedom of collective bargaining so rigidly as to exclude even compulsory investigation?

The great question of the incidence of the cost of social insurance is dealt with in much the same cursory manner. "The expense of work accidents" the authors tell us (p. 357) "should be treated like all other expenses of production: it should be borne by the employer in the first instance and be shifted by him in the form of increased prices upon the consumer of those goods in the production of which the injuries were sustained." In a later part of the book (p. 462) it is argued that "compensation laws, by requiring him [the employer] to pay for all accidents instead of merely those he can not escape, tend to

bring upon him a universal pecuniary pressure like that of taxation which induces him to prevent all accidents and to provide for early recovery of the victim." If imposing the cost on the employer in the first instance tends to reduce the number of accidents, there is an argument in favor of that method, and here we have at least the beginnings of a principle. When we reach the subject of sickness insurance, however, we are told that "the cost of insurance is usually distributed between the worker and the employer, and in some countries the government also contributes a share. By this device the employer is compelled to bear some portion of the cost of sickness among his employers . . . " But why will the employer not shift the cost of sickness insurance? Does the imposition of the cost on the employer tend to reduce the amount of sickness? No sustained appeal is here made to the larger principles which should underly the distribution of the cost of social insurance. Here and there one gets glimpses of principles, but they are never logically coördinated. The reader is certainly entitled in a book on the "Principles of Labor Legislation" to a clear statement of principles and to the application of those principles to the actual problems of legislation.

The part of the book in which the authors break most new ground and the part which will consequently prove most interesting to students of the subject is the chapter dealing with administration. This chapter is in effect an argument for administration by a commission. It has been prepared with great care and is by all odds the best part of the book. It will probably long remain the most forceful statement of the advantages of that form of administration. The undoubted advantages of consolidating the administration of labor legislation in the hands of a single agency is unanswerably argued. The point at which doubt arises is the desirability of conferring such large powers of legislation upon a commission. Even here there appear to be differences among the kinds of labor legislation. It may be admitted that the protection of health and safety is too intricate a matter to be dealt with successfully by a legislature. It seems clear also that the standards to which a commission must resort in framing administrative orders intended to protect health and safety are such as to admit of definite application. The question whether a particular safety

device shall be installed turns on purely objective considerations. If it can be shown that accidents are attributable to the lack of such a device the commission has safe ground under its feet. But the case for administrative regulation of the working hours of women is not equally strong. This Wisconsin law, for example, authorizes the Industrial Commission to fix rules "prohibiting the employment of females for such periods of time as may be dangerous or prejudicial to the life, health, safety or welfare of such female." Is the relation of hours of work to health so clearly defined that a commission can say that the protection of the health of women requires that women shall work eight hours rather than nine? It is not, of course, sufficient that there shall be some relation between health and working hours but the relation must be clear enough to afford a standard for the guidance of the commission. Must it not be admitted also that the question of hours is complicated by other issues than that of health? The desire to secure a normal human life is implicit in all such legislation. But here we come into a field where there are no generally recognized standards.

In the absence of such standards, what action is the commission likely to take? Under the plan urged by the authors the commission would be required to submit all proposed orders to a council made up of representatives of the employers and the workmen. Such a council would naturally influence greatly the attitude of the commission. It is important, therefore, to inquire what the viewpoint of such a council would be. It is easy enough to convene a council representing organized labor and the organized, employing interests. But would there be adequate representation of the unorganized members of both classes? Would such a council pay adequate attention to the legitimate needs of these classes? It is true, of course, that the legislature does not abdicate its powers finally by vesting power to issue administrative orders in a commission. But the fact that a commission had refused to issue an order would constitute a great impediment to legislative action since the legislature would ordinarily be reluctant to legislate on matters which had been entrusted to a commission.

The book will probably long remain the leading work on labor legislation, and it is certain to exercise a weighty influence on new legislation. At a time when the problems in this field are

attracting more and more attention, it is a matter of congratulation that so competent and careful a book is available. It will also be joyously welcomed by instructors in college classes on labor problems who have heretofore had to refer their students to numerous treatises, most of which are antiquated both in matter and point of view.

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Industrial Arbitration. A World-Wide Survey of Natural and Political Agencies for Social Justice and Industrial Peace.

By CARL H. MOTE. (Indianapolis: The Bobbs-Merrill Company. 1916. Pp. 351, xlv. \$1.50.)

One has but to look at the history of arbitration during the last century to ask why it should ever have inspired so fervid and so obstinate an enthusiasm. It had its successes, quite enough to justify all attendant costs. It was, at the same time, shadowed by failures so constant and of such character as to raise doubts which seem never to have been met. Extremely able students and men of practical mastery in business, continued to present arbitration together with boards of conciliation as a final remedy for industrial wrangling.

"Only work out the Principles a little more prudently: only be more wary in the choice of chairman, and disputes can be reduced to a trifling minimum." Especially in France, where small industries were so long the rule, arbitration has a history showing how every peace-making device is compelled to change with each shift in the technique of industry. It must also change with the growth of organization both among employers and employed. In a large part of the nineteenth century, the French and English were always attempting to keep pace with these growths and variations. Yet these revolutions in technique and organization are but one element in the perplexities which beset the formal (arbitration) and the informal (conciliation) efforts to secure peace in industry. A change more embarrassing still is the altered mood and aim of labor.

One has but to ask, for example, what will happen when determining majorities inside and outside labor organizations honestly come to believe that wages should not, as heretofore, follow prices, but that prices should follow wages. What will